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6 Attorneys for Creditor ARB, INC.

7
8 UNITED STATES BANKRUPTCY COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10 SAN FRANCISCO DIVISION

11 In re
12 PG&E CORPORATION
13 and
14 PACIFIC GAS AND ELECTRIC
COMPANY
15 Debtors.

Case No. 19-30088 DM (Lead Case)

(Jointly Administered with Case No.
19-30089 DM)

Chapter 11

**NOTICE OF CONTINUED
PERFECTION OF MECHANICS LIEN
PURSUANT TO 11 U.S.C. § 546(b)(2)**

- 17 ☐ Affects PG&E Corporation
18 ☐ Affects Pacific Gas and Electric
Company
19 ☒ Affects both Debtors.

[Santa Clara County, Document
No. 24102934]

20 * All papers shall be filed in the Lead
21 Case No. 19-30088 DM.

22
23 ARB, Inc. ("ARB"), by and through its undersigned counsel, hereby gives notice of
24 continued perfection of its mechanics lien under 11 U.S.C. § 546(b)(2), as follows:

25 1. ARB is a corporation that has provided and delivered labor, services,
26 equipment, and materials for the construction and improvement of projects on real property
27 located in the County of Santa Clara, State of California (the "Property") and owned by
28 PG&E Corporation and/or Pacific Gas and Electric Company (collectively, the "Debtors").

1 2. Through January 29, 2019 (the “Petition Date”), the amount owing to ARB is
2 at least \$902,844.00, exclusive of accruing interest and other charges, with additional
3 amounts owed and accrued after the Petition Date.

4 3. On January 24, 2019, before the Petition Date, ARB properly perfected its
5 mechanics lien under California Civil Code §§ 8400, *et seq.* by timely recording its
6 Mechanics Lien (Claim of Lien) in the Official Records of Santa Clara County, State of
7 California, as more fully described in its Mechanics Lien, a true copy of which is attached
8 hereto as Exhibit A.

9 4. Pursuant to California Civil Code § 8460, an action to enforce a lien must be
10 commenced within 90 days after recordation of the claim of lien. However, due to the
11 automatic stay set forth in 11 U.S.C. § 362, ARB is precluded from filing a state court action
12 to enforce its mechanics lien. 11 U.S.C. § 546(b)(2) provides that when applicable law
13 requires seizure of property or commencement of an action to perfect, maintain, or continue
14 the perfection of an interest in property, and the property has not been seized or an action
15 has not been commenced before the bankruptcy petition date, then the claimant shall instead
16 give notice within the time fixed by law for seizing the property or commencing an action.
17 (See 11 U.S.C. § 546(b)(2); see also In re Baldwin Builders (Village Nurseries v. Gould),
18 232 B.R. 406, 410-411 (9th Cir. 1999); Village Nurseries v. Greenbaum, 101 Cal.App.4th 26,
19 41 (Cal. Ct. App. 2002).)

20 5. Accordingly, ARB hereby provides notice of its rights as a perfected
21 lienholder in the Property pursuant to California’s mechanics lien law. ARB is filing and
22 serving this notice to preserve, perfect, maintain, and continue the perfection of its lien and
23 its rights in the Property to comply with the requirements of California state law, 11 U.S.C.
24 §§ 362(a), 362(b)(3), and 546(b)(2), and any other applicable law. This notice constitutes
25 the legal equivalent of having recorded a mechanics lien in the recorder’s office for the
26 county where the Property is located and then having commenced an action to foreclose the
27 lien in the proper court. By this notice, the Debtors and other parties in interest are estopped
28 from claiming that the lawsuit to enforce ARB’s mechanics lien was not timely commenced

1 pursuant to applicable state law. ARB intends to enforce its lien rights to the fullest extent
2 permitted by applicable law. The interests perfected, maintained, or continued by 11 U.S.C.
3 § 546(b)(2) extend in and to the proceeds, products, offspring, rents, or profits of the
4 Property.

5 6. The filing of this notice shall not be construed as an admission that such filing
6 is required under the Bankruptcy Code, the California mechanics lien law, or any other
7 applicable law. In addition, ARB does not make any admission of fact or law, and ARB
8 asserts that its lien is senior to and effective against entities that may have acquired rights or
9 interests in the Property previously.

10 7. The filing of this notice shall not be deemed to be a waiver of ARB's right to
11 seek relief from the automatic stay to foreclose its mechanics lien and/or a waiver of any
12 other rights or defenses.

13 8. ARB reserves all rights, including the right to amend or supplement this
14 notice.

15
16 Dated: February 22, 2019

RUTAN & TUCKER, LLP
ROGER F. FRIEDMAN
PHILIP J. BLANCHARD

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18
19 By: /s/ Roger F. Friedman
20 Roger F. Friedman
21 Attorneys for Creditor ARB, INC.
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EXHIBIT A

RECORDING REQUESTED BY AND MAIL TO:
(Name and mailing address, including city, state,
and ZIP code, of requesting party)

Philip J. Blanchard (State Bar No. 192378)
RUTAN & TUCKER, LLP
611 Anton Blvd., Suite 1400
Costa Mesa, California 92626
(714) 641-5100

24102934

Regina Alcomendras
Santa Clara County - Clerk-Recorder

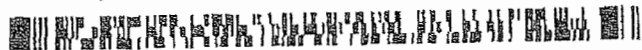
01/24/2019 11:02 AM

Titles: 1 Pages: 4

Fees: \$114.00

Taxes: \$0

Total: \$114.00



— SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE —

DOCUMENT TITLE

- ☐ ABSTRACT OF JUDGMENT
- ☐ ACKNOWLEDGMENT OF SATISFACTION OF JUDGMENT
- ☒ OTHER (specify): MECHANICS LIEN

RECORDER'S COVER SHEET

Exhibit A, Page 4

76aR055-CL228 (Nov 7, 2018)

Case: 19-30088 Doc# 554 Filed: 02/22/19 Entered: 02/22/19 10:59:14

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Govt. code §27361.6

Official Court Reporter, Inc.
www.FormsWorkflow.com

**MECHANICS LIEN
(CLAIM OF LIEN)**

NOTICE IS HEREBY GIVEN: That, ARB, Inc., 26000 Commercentre Drive, Lake Forest, California 92630 ("Claimant") claims a lien for labor, service, equipment, and/or materials under Section 8400, et seq., of the Civil Code of the State of California, upon the premises hereinafter described, and upon every estate or interest in such structures, improvements and premises held by any party holding any estate or interest therein.

The labor, service, equipment and/or materials were furnished for the construction of those certain buildings, improvements, or structures now upon those certain parcels of land situated in the County of Santa Clara, State of California, said land described as follows:

R349B MP 12.33-12.87

**Gas Mainline Located in between the San Francisquito Channel and the Palo Alto Golf Course, Nearest address is the Palo Alto Golf Course:
1875 Embarcadero Road, Palo Alto, CA 94303**

The lien is claimed for the following kind of labor, services, equipment and/or materials: Complete retirement of 2,950 feet of existing 20-inch natural gas transmission pipeline, installation of approximately 3,218 feet of 24-inch natural gas transmission pipeline, and 131 feet of 20-inch natural gas transmission pipeline L-101, and related work.

The amount due after deducting all just credits and offsets: \$902,844, plus interest.

The name of the person or company to whom claimant furnished labor, services, equipment or materials is: Pacific Gas and Electric Company, 77 Beale Street, 24th Floor, Mail Code B24W, San Francisco, California 94105.

The owner or reputed owner of said premises is: Pacific Gas and Electric Company, 77 Beale Street, 24th Floor, Mail Code B24W, San Francisco, California 94105.

**NOTICE OF MECHANICS LIEN
ATTENTION!**

Upon the recording of the enclosed **MECHANICS LIEN** with the county recorder's office of the county where the property is located, your property is subject to the filing of a legal action seeking a court-ordered foreclosure sale of the real property on which the lien has been recorded. That legal action must be filed with the court no later than 90 days after the date the mechanics lien is recorded.

The party identified in the mechanics lien may have provided labor or materials for improvements to your property and may not have been paid for these items. You are receiving this notice because it is a required step in filing a mechanics lien foreclosure action against your property. The foreclosure action will seek a sale of your property in order to pay for unpaid labor, materials, or improvements provided to your property. This may affect your ability to borrow against, refinance, or sell the property until the mechanics lien is released.

BECAUSE THE LIEN AFFECTS YOUR PROPERTY, YOU MAY WISH TO SPEAK WITH YOUR CONTRACTOR IMMEDIATELY, OR CONTACT AN ATTORNEY, OR FOR MORE INFORMATION ON MECHANICS LIENS CO THE CONTRACTORS' STATE LICENSE BOARD WEB SITE AT www.cslb.ca.gov.

Date: January 23, 2019

Claimant: ARB, Inc.

By: _____

John Perisich
Executive Vice President

VERIFICATION

I, John Perisich, the undersigned, state that I am the Executive Vice President of ARB, Inc., the claimant named in the foregoing Mechanics Lien. I have read said Mechanics Lien and know the contents thereof, and I certify that the same is true of my own knowledge.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: January 23, 2019

ARB, Inc.

By: _____

John Perisich
Executive Vice President

SEE ATTACHED PROOF OF SERVICE AFFIDAVIT INCORPORATED HEREIN

**PROOF OF SERVICE AFFIDAVIT
STATE OF CALIFORNIA, COUNTY OF ORANGE**

I am employed in the County of Orange. I am over the age of eighteen years and not a party to the within Mechanics Lien. My business address is 611 Anton Blvd., 14th Floor, Costa Mesa, California 92626.

On January 23, 2019, I served a copy of the enclosed **Mechanics Lien and Notice of Mechanics Lien** on the following person(s) by placing true copies thereof enclosed in sealed envelope(s) and/or package(s) addressed as follows:

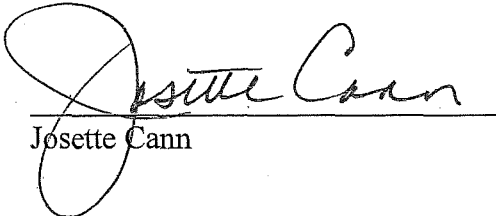
Owner or Reputed Owner:

Pacific Gas and Electric Company
77 Beale Street, 24th Floor
Mail Code B24W
San Francisco, California 94105

- ☒ **BY CERTIFIED MAIL and U.S. MAIL:** I am "readily familiar" with the firm's practice of collection and processing correspondence for Certified Mail and First Class U.S. Mail. Under that practice it would be deposited with the U.S. postal service on that same day with postage thereon fully prepaid at Costa Mesa, California, in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

I certify and declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on January 23, 2019, at Costa Mesa, California.



Josette Cann